



June 28, 2007

Mr. Kelly Krug
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On Behalf of California Dairies, Inc. I would like to express our desire to have the hearing on CWAP denied at this time. Today, the USDA has issued the interim final rule establishing a Dairy Product Mandatory Reporting Program.

The interim final rule will be published soon and public comments are due 60 days after publication in the Federal Register.

USDA also released revised weekly NASS survey of NDFM prices covering the weeks of April 29, 2006 to April 14, 2007. Due to errors in reporting, NASS survey NDFM prices during the 51 weeks were understated by an average of 1.7 cents per pound. While these total dollars are not insignificant when multiplied by total pounds and divided by the total number of U.S. producers, the numbers are small indeed.

In light of these two announcements it seems wise to delay the hearing until we know what the final rule will require.

Sincerely,

California Dairies, Inc.

Richard L. Cotta
President and CEO

cc: Mr. David Ikari

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